The Company
"MECANICA CEAHLAU" S.A.
- PIATRA NEAMT –

Attention to:

AUTHORITY FOR FINANCIAL MONITORING BUCHAREST [ASF]
BUCHAREST STOCK EXCHANGE
CURRENT REPORT

in compliance with the provisions under Law 24/2017 and of the Regulation Nº 5/2018 of ASF
Date of the report: 10/11/2026
Name of the company: MECANICA CEAHLĂU S.A. PIATRA NEAMŢ
Registered Office: Piatra Neamţ, Dumbravei street, no.6, postal code 610202
Phone number/fax: 0233-211104/ 0233-216069
Tax Identification Number: RO 2045262
Trade Register Registration Number: J1991000008271
Subscribed and paid-in share capital RON 23,990,846
Regulated market in which the issued securities are traded: Bucharest Stock Exchange
Trading symbol: MECF.

1. Synthesis of the financial-economic indicators on September 30, 2026.

Information in the financial-economic situation of the Mecanica Ceahlau SA on the third quarter of 2026 are presented in the Financial Statements, concluded on September 30, 2026, drafted according to the order 2844 from 2016 on the approval of the accounting regulations according to the international standards of financial reporting.

The currency of the reporting is LEI.

The Company's financial information for the nine months ended 30 September 2026 is presented in the unaudited individual financial statements.

The structure and the evolution of the asset, debt and equity elements of the company, compared with 31 December 2025, is presented as:

1.a. Individual situation of the financial position

Indicator - LEI	September 30, 2026	31 December, 2025
Assets		
Tangible fix assets	13,529,000	17,580,931
Intangible assets	33,349	53,946
Real Estate Investments	227,248	1,266,371
Assets representing rights of use of support assets in leasing contracts	388,932	814,291

Fixed assets total, out of which:	**14,178,529**	**19,715,539**
Current assets		
Stocks	25,336,420	27,981,480
Trade receivables	4,159,896	2,664,974
Other receivables	285,572	985,846
Expenses registered in advance	119,542	63,052
Financial assets at fair value	-	-
Cash and cash equivalents	820,582	4,682,173
Assets classified as held for sale	5,062,525	-
Current assets total, out of which:	**35,784,537**	**36,377,525**
TOTAL ASSETS	**49,963,066**	**56,093,064**
Equity		
Share capital	23,990,846	23,990,846
Legal reserves	2,983,701	2,983,701
Revaluation reserve	10,372,774	10,190,876
Retained earnings and other reserve	5,472,538	10,550,533
Total equity	**42,819,859**	**47,715,956**
Debts		
Long Term Debts		
Long term loans	-	-
Government subsidies	674,479	705,293
Liabilities from lease contracts	278,375	520,707
Provision for pensions	99,826	99,826
Deferred tax liabilities	2,364,988	2,487,030
Total long term debts	**3,417,668**	**3,812,856**
Current debts		
Short term loans		
Liabilities from leasing contracts	177,023	390,987
Commercial debts	2,432,386	2,395,139
Other liabilities	1,053,458	1,299,190
Revenues recorded in advance	-	416,264
Provisions	62,672	62,672
Total current debts	**3,725,539**	**4,564,252**
TOTAL DEBTS	**7,143,207**	**8,377,108**
TOTAL OWN EQUITY AND DEBTS	**49,963,066**	**56,093,064**

Total equity decreased by 10.26% from LEI 47,715,956 as at 31 December 2025 to LEI 42,819,859 as at 30 September 2026. No dividends were distributed to shareholders.

The current assets in the amount of 35,784,537 LEI (December 31, 2025: 36,377,525 LEI) decreased with 1.63% compared to December 31, 2025 and are made up of:

Overall stocks are in the net amount of 25,336,420 LEI decreased with 9.45% compared to December 31, 2025. Are made up of:

Indicator - LEI	September 30, 2026	December 31, 2025	%
Raw materials and materials	2,611,572	2,122,904	123%
Work in progress	1,620,603	650,520	249%
Semi-finished goods	265,431	284,559	93%
Finished goods	14,212,660	16,189,740	88%
Goods (goods for distribution)	6,626,154	8,733,757	76%
Stocks at net value	**25,336,420**	**27,981,480**	**91%**

Net trade receivables amounted to LEI 4,159,896 as at 30 September 2026, up 56.10% from LEI 2,664,974 as at 31 December 2025. The increase resulted from the commencement of the contract with Titan Machinery Austria. As at 30 September 2026, the Company held promissory notes and blank cheques provided by customers as security, with payment guaranteed by aval in accordance with the contractual terms.

Other receivables amounted to LEI 285,572 as at 30 September 2026, down 71.03% from LEI 985,846 as at 31 December 2025. The decrease was mainly due to payments received from the Ministry of Energy for the photovoltaic power plant project funded under Romania's National Recovery and Resilience Plan (NRRP).

Cash and cash equivalents amounted to LEI 820,582 as at 30 September 2026, down 82.47% from LEI 4,682,173 as at 31 December 2025.

Assets held for sale amounted to LEI 5,062,525 as at 30 September 2026. The sale is expected to be completed by the end of 2026.

Provisions amounted to 162,498 LEI as at 30 September 2026, unchanged from 31 December 2025, and comprised the following:

- Provisions for pensions of 99,826 LEI (99,826 LEI as at 31 December 2025).
- Provisions for risks and expenses of 62,672 LEI (62,672 LEI as at 31 December 2025).

Long-term liabilities amounted to 3,417,668 LEI as at 30 September 2026, down 10.36% from 3,812,856 LEI as at 31 December 2025.

Current liabilities amounted to 3,725,539 LEI as at 30 September 2026, down 18.38% from 4,564,252 LEI as at 31 December 2025. Trade payables accounted for the largest share of current liabilities.

1.b. Individual situation of the global result

Mecanica Ceahlău S.A. recorded net turnover of 12,416,065 LEI for the nine months ended 30 September 2026.

	September 30, 2026	September 30, 2025
Sales	12,416,065	15,536,614
Costs of materials and consumables	(7,685,049)	(10,260,860)
	4,731,016	**5,275,754**
Other operational revenues	548,050	479,763
Expenses with utilities	(430,383)	(366,645)
Expenses with salaries and other personnel expenses	(5,335,527)	(5,359,823)
Other administrative expenses	(2,188,140)	(1,902,840)
Other operational expenses	(243,220)	(243,094)
Expenses for depreciation and impairment of fixed assets and expenses for depreciation of assets related to rights of use of leased assets	(1,102,689)	(1,323,269)
Gains/losses from the revaluation of assets held for sale	(23,141)	-
Gain from the disposal of fixed assets	34,991	185,371
Gains/losses from the revaluation of real estate investments	28,624	-
Gains/losses from the revaluation of tangible assets	14,980	-
Adjustment of the value of current assets	(1,295,096)	218,615
Gain/Loss of provisions for risks and expenses	-	13,555
Total operational expenses	**(10,539,601)**	**(8,778,130)**
Result of the operational activities	**(5,260,535)**	**(3,022,613)**
Interest incomes	113,448	14
Gains from revaluation of financial assets at fair value through profit or loss	-	4,553
Interest expense and discounts granted	(179,894)	(458,912)
Losses from exchange rate differences	(38,717)	(52,853)
Financial net result	**(105,163)**	**(507,198)**
Result before tax	**(5,365,698)**	**(3,529,811)**
Revenue/ (expenses) with current and deferred income tax	-	(205,212)
Deferred tax income	156,689	-
Net profit of period	**(5,209,009)**	**(3,735,023)**
Other Elements of the Global Result		
Revaluation reserves	-	-
Deferred capital tax	(34,647)	19,806
Other elements of the overall result after tax	**(34,647)**	**19,806**
Total overall result for the period	**(5,243,656)**	**(3,715,217)**

Attributable profit / loss	**(5,209,009)**	**(3,735,023)**
Basic earnings per share	(0.0217)	(0.0156)

Net turnover for the nine months ended 30 September 2026 decreased by 20.09% compared with the same period in 2025.

Indicator - LEI	**September 30, 2026**	**September 30, 2025**
Gross sales of goods	12,385,451	15,480,181
Commissions granted to dealers	(92,849)	(113,865)
Net sales of goods	**12,292,602**	**15,366,316**
Sales of residual goods	54,508	24,625
Services rendered	68,955	145,673
Total net turnover	**12,416,065**	**15,536,614**

The Company's **gross turnover** for the nine months ended 30 September 2026 amounted to 12,385,451 LEI (2025: 15,480,181 LEI), comprising export sales of 1,246,332 LEI (2025: 124,746 LEI) and domestic sales of 11,139,119 LEI (2025: 15,355,435 LEI).

Unprecedented weather conditions, particularly extreme drought that severely affected large areas of farmland, left farmers, the Company's end customers, without sufficient cash to cover operating expenses and resume production for the 2026–2027 agricultural year, let alone purchase agricultural machinery and tractors. In addition, the "Rabla pentru tractoare" tractor replacement scheme, which was expected to stimulate sales, was suspended. These were the main factors behind the decline in turnover.

To achieve this level of sales, the Company granted trade discounts in the form of bonuses under its existing contracts. These discounts amounted to 92,849 LEI for the nine months ended 30 September 2026 and 113,865 LEI for the corresponding period in 2025, resulting in net sales of goods of 12,292,602 LEI and 15,366,316 LEI, respectively.

Export sales accounted for 10.06% of the Company's gross turnover. This share was mainly attributable to the contract signed with Titan Machinery Austria in 2026, under which the Company manufactures two new machines: the Proline seed drill and the Nova Pro sprayer.

The Company holds a significant share of the market for row-crop planters and cereal seed drills. Its estimated market share for these products ranges from 20% to 30% in terms of units sold.

Operating expenses

1. The cost of goods sold decreased by 25.10% compared with the same period in 2025.
2. Administrative expenses increased by 14.99% compared with the same period in 2025 due to higher inflation and increased charges under contracts with utility and service providers.

3. Other operating expenses increased slightly by 0.05% compared with the same period in 2025.
4. Salaries, social security contributions and other employee benefits decreased by 0.45% compared with the same period in 2025.

Indicator - LEI	September 30, 2026	September 30, 2025	%
Salaries expenses	4,312,368	3,921,053	110%
Expenses with salary contributions	166,079	163,247	102%
Expenses with granted vouchers	287,710	248,635	116%
Other benefits to employees	-	(25,907)	0%
Expenses with indemnity of Board of Directors members	158,004	386,993	41%
Expenses with indemnity of executive management	411,366	665,802	62%
Total	**5,335,527**	**5,359,823**	**100%**
Average number of employees	**67**	**65**	**103%**

Finance income consisted mainly of interest earned on bank deposits.
Finance costs for the nine months ended 30 September 2026 included settlement discounts and other discounts granted, interest expense and foreign exchange differences.
Profit / (loss)
For the nine months ended 30 September 2026, the Company recorded a loss before tax of 5,365,698 LEI and a net loss of 5,209,009 LEI.

1. **Degree of achievement BVC 2026**

Thousands of LEI	Budgeted 2026 rectif.	Accomplished 9 months 2026	Degree of achievement, % rectif.
Total revenue	**19,316**	**13,168**	**68**
Operating income, of which:	**19,156**	**13,014**	**68**
* Sales of finished products	13,325	7,929	60
* Merchandise sales	5,054	4,418	87
* Sales from the provision of services	80	69	86
* Income from rents and related activities	540	419	78
* Net income from resumptions provisions for risks and expenses	-	-	n/a
* Profit from sold assets (net) (if income-expenses > 0)	34	35	103
* Other operating income	120	144	120
Financial income	**159**	**154**	**96**

Income/expenses related to stocks of finished products	**(1,554)**	**(438)**	**28**
Total expenses	**(22,776)**	**(18,095)**	**79**
Operating expenses, of which:	**(22,444)**	**(17,868)**	**80**
Expenses with raw materials and materials	(5,317)	(4,050)	76
Cost of goods sold	(4,121)	(3,626)	88
Expenses with salaries, allowances and similar	(7,461)	(5,335)	72
Expenditures on external benefits	(2,912)	(2,145)	74
Expenses with taxes, fees and similar payments	(297)	(201)	68
Expenses net of asset impairment adjustments	(715)	(1,283)	179
Other operating expenses	(1,618)	(1,224)	76
Financial expenses	**(331)**	**(226)**	**68**
Gross result	**(5,015)**	**(5,365)**	**107**
Deferred tax income	93	156	168
Profit tax	-	-	n/a
Net Profit / (Net Loss)	**(4,921)**	**(5,209)**	**106**

In the third quarter of 2026, the Company revised its 2026 Revenue and Expenditure Budget to reflect the results for the first seven months of the year and updated forecasts in light of developments in the agricultural machinery market. The revised budget projects total revenue of 19.32 million LEI, compared with 34.62 million LEI in the original budget, and a loss before tax of 5.02 million LEI.

Economic and financial indicators referred to in Annex 13, Section A, to ASF Regulation No. 5/2018

Indicator name	Calculation method	September 30, 2026	September 30, 2025
1. Current ratio	Current assets / Current liabilities	9.61	7.72
2. Debt-to-equity ratio (%)	Borrowings / Equity × 100	1.06	16.23
3. Fixed asset turnover	Turnover / Fixed assets	0.88	0.73
4. Days sales outstanding (DSO)	Average balance of net trade receivables / Turnover × 273	75 days	53 days

The full quarterly report as at 30 September 2026 is available on the Company's website (www.mecanicaceahlau.ro) and via the link below (attached PDF).

Chief Executive Officer,
Sorin Ion Molesag

Chief Financial Officer,
Irina Gliga

BOARD OF DIRECTORS

Ianculescu Carmen

Andrieș Carmen-Cristina

Explanatory note
This Directors' Report for the third quarter of 2026 is signed by both serving directors of Mecanica Ceahlău S.A., thereby meeting the quorum and majority requirements set out in the Company's Articles of Association. The third seat on the Board is vacant as at the date of this report. A new director will be appointed at the next General Meeting of Shareholders (GMS).